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DD/S&T-933/68

MEMORANDUM FOR: Director of Computer Services
Director of ELINT
Director of Foreign Missile
and Space Analysis Center
Director of Scientific Intelligence

SUBJECT : Initiation of Contracting Team for
DD/S&T Offices in Headquarters
Building

1. Effective 4 March 1968 Agency-funded contracting for the DD/S&T Offices listed will be accomplished by a Contracting Team located in OEL, Room 2F30, and under the administrative direction of the Director, OEL. The team leader is [redacted] Senior Contracting Officer, who will be assisted [redacted]

[redacted] The Director of Logistics has delegated contracting authority to [redacted] subject only to prior review by the Contract Review Board/OL under certain specified conditions.

2. [redacted] will continue to be utilized for those contracts entered into with [redacted] contractors, however, all such requisitions will be routed through [redacted] who will conduct the necessary contract liaison with the [redacted] for these actions. Production contracts, general purchase contracts and certain other types of contracts, to be defined on a case-by-case basis, will continue to be contracted for by Procurement Division, Office of Logistics. The current procedure for operational approval of proposed contract actions by Office Director, DD/S&T or DCI remains unchanged.

3. DD/S&T Project Officers are, in every sense, vital members of the Contracting Team which consists of the contracting officer, technical officer, auditor and security

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officer. They are expected to cooperate with and support the team in the common objective which is the successful attainment of DD/S&T objectives at the lowest possible cost and under orderly and business-like conditions. Project Officers should seek advice from the contract and security officer before contacting potential contractors so that the business and security aspects of the work for which contractor support is required will be acceptable in all respects.

4. This Directorate, like all others, is faced with tight budgetary limitations, a condition likely to be with us for some extended period of time. It is, therefore, essential for all project officers to be cost conscious in their approach to contractors and to place greater emphasis on effective competition and on contractor's labor hours, overhead rates and other elements of its cost breakdown. The project officer should participate fully in contract negotiations and support mutually agreed upon government negotiating positions. One positive method of controlling unauthorized costs is to make certain that contractors do not proceed on DD/S&T work without the authority of the contracting officer. In this connection let me re-emphasize that the contracting officer is the only individual in this Directorate with the authority to commit government funds through external contracts whether it be a new contract, changes to an existing contract or renewal of an existing contract.

5. I have discussed the contracting team concept with you on numerous occasions and you are aware of the importance which I attach to it. Now that the team is ready for operation I urge you to give the concept true meaning by bringing the contracting officer into office planning at the earliest point in the R&D contract cycle so that he may have advance knowledge of all programs requiring support through external contract.

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During this coming year I will be very interested in the new team and the effectiveness with which it operates. I fully expect that some changes will be necessary as we learn to work with and support the new concept and I accordingly welcome your suggestions and recommendations.

25X1A



Carl E. Duckett
Deputy Director
for
Science and Technology

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